

MONTHLY PROJECT STATUS REPORT FOR MONTH OF June 1952

1. CRYPTONYM FJGROOND	2. DIVISION OR BRANCH EE/PG/A	3. COUNTRY(S) Austria	4. ESTIMATED COMPLETION	
			PERCENT	DATE
5. PLAN				
<input type="checkbox"/> POLITICAL	<input type="checkbox"/> ECONOMIC	<input checked="" type="checkbox"/> PARAMILITARY	<input type="checkbox"/> SUPPORT	
6. FINANCIAL MECHANISM				
<input type="checkbox"/> DIRECT	<input type="checkbox"/> SUBSIDY	<input type="checkbox"/> PROPRIETARY	<input checked="" type="checkbox"/> PURCHASE OF SERVICES	
7. PHASE				
<input checked="" type="checkbox"/> PLANNING	<input type="checkbox"/> OPERATIONAL	<input type="checkbox"/> LIQUIDATING	<input type="checkbox"/> TERMINATED	
8. FUNDING				
FY ALLOTMENTS TOTAL TO DATE	OBLIGATIONS CURRENT MONTH	FY OBLIGATIONS CUMUL. TO DATE	UNOBLIGATED BALANCE	
	Not Applicable			
9. NAME OF CASE OFFICER	ROOM NO.	EXTENSION	SIGNATURE	
	2111 K	3484		
10. FACTS, EVALUATION AND COMMENT: (Use additional plain sheet if necessary)				

A. Mission**No change****B. Accomplishments****1. Not applicable**

2. a. We have been informed that the Communication Annex to the Austrian master paramilitary project FJGROOND is practically complete. Submission of the project for approval will take place as soon as this is received.

b. Phase II of Project FJREVLAP, which was to provide the long range paramilitary procurement for total potential assets generated by the Austrian Mission through an anticipated D-Day of 1 January 1954 plus six months of hostilities, has now been subsumed under the provisions of Project FJGROOND. Though it was intended that this total procurement program be submitted as a support statement to Project FJGROOND, several problems have arisen to prevent the inclusion of this statement at this time. These are as follows:

1) It appears that there is not presently available sufficient warehousing facilities to permit the ordering and stockpiling of large amounts of paramilitary equipment which can subsequently be shipped in small lots to Austria as the Mission indicates its readiness to cache this material. Because of the varying "lead times" necessary to procure individual items, it is essential that the items be held at some point until a sufficient amount and variety is received to make up a complete cache.

2) Further coordination is now necessary with the field station to determine the most optimum schedule they can devise for the caching of this material, during the next few years.

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3) The question has also arisen as to whether this project proposal should request authorization for the funds necessary to procure this paramilitary equipment, viz., \$5,400,000 (includes sums necessary to pack and ship the equipment), and what Fiscal Year budgetary schedule should be used to fully coordinate expected "lead times" with optimum ordering, or, on the other hand, whether the procurement of these items can and should be authorized from funds already obligated, as that portion of the 75,000,000 Contingency Fund which was made available to the Eastern European Division.

c. The resolution of these problems will be made during the next three or four months. At that time, an amendment to Project FJGROOND will be requested showing our firm paramilitary equipment needs and the phasing desired for this procurement.

C. Reactions

Nothing to report

D. Conclusions

Nothing to report

E. Miscellaneous Comments

The delay necessary in submitting the support statement to Project FJGROOND may result in a slight increase in the actual costs of individual paramilitary supply items in consonance with the steadily rising cost curve for this type of supplies.